

What is the Third Party Review?

In August 2007, Cerrejón and its shareholders, Anglo American plc, BHP Billiton and Xstrata Coal, commissioned an independent panel to review the company's corporate social responsibility practices and its relation with the neighbouring communities of La Guajira.

Since then, Cerrejón has provided detailed updates twice a year on its progress in implementing the review's recommendations. Full progress reports are available here.

Who was on the panel?

The independent panel is chaired by Dr. John Harker, President of Cape Breton University in Canada. Other members of the panel are: Nick Killick from International Alert, Salomón Kalmanovitz, Dean of Economics and Business Administration at the University of Jorge Tadeo Lozano in Colombia and Elena Serrano from the Foundation Casa de la Paz, an NGO in Chile.

Which issues does the review cover?

The independent panel made 24 recommendations on the subjects of human rights, social engagement, resettlement, royalties, and topics regarding healthcare, culture, employment, and the environment. The Cerrejón Foundations System was also included in the panel's recommendations. Click here for a full list of topics covered.

Which actions have still to be completed?

This is a summary of our latest progress in responding to the recommendations of the Third Party Review Process.

Table of Pendings: Third Panel Review (TPR) Recommendations and Activities October 2011

Each action item is color-coded.

- Blue = Finished
- Yellow = There are risks to completing the task on time but there is an on-going project that will allow to fulfill this goal
- Green = we are progressing well
- Red = we are delayed

INITIAL RECOMMENDATION		ACTIONS TAKEN	NEXT STEPS
Action 6.1	Build symbolic Tabaco site.	<ul style="list-style-type: none"> • In March 2011, La Cruz was delivered to Cerrejón. The public deed of sale was signed in May 2011. Currently, the notary arrangements are under way to finalize the donation so as to physically hand over the property to the community and the municipality of Hatonuevo by year's end. The land survey and zoning for the property were finished in September 2011, allowing determination of the allocation of environmental areas and the area for the physical rebuilding of Tabaco. • The Relocation Committee and the Endogenous Network are working together to reconcile their differences through a work committee for the physical and social reconstruction of Tabaco. From August to September 2011, work sessions were organized with these two groups to define the detailed housing design at the new site. These work sessions will begin official in November 2011 and will aim to define the style, materials, and size of the housing in a participatory manner. • A major challenge is the distribution of the land and identifying how many members of the community wish to live in the new village. So far there are 442 households that have been presented as potential beneficiaries. The symbolic site that Cerrejón made a commitment to build, will have to be defined by the community through a participatory process. The exact date of completion of the reconstruction of Tabaco and therefore the construction of the symbolic site depends on several factors. 	<ul style="list-style-type: none"> • Define a process to distribute land • Obtain all necessary permits for the reconstruction of the new Tabaco town. • Provide assistance to communities involved in new socio-economic projects • Select and build the Tabaco symbolic site following community participatory process
Action 7.2	Develop and agree with the affected communities timelines for their resettlement processes	<ul style="list-style-type: none"> • Impact assessment was carried out with the communities of Patilla, Chancleta, and Tamaquito between the first and second semesters of 2011. Currently, we are consulting on impacts with the Las Casitas community. The first agreements to relocate some of Roche's resident families were signed in January 2011. To date, 16 families have moved in, and we expect to reach agreements soon with another nine families. We are aware of the challenges of a segmented resettlement and are working to resolve the specific concerns of each family. We are keeping all our communications channels open and are fostering dialogue with Roche residents, their representative groups, and supporting institutions in order to reach agreements soon, minimize the effects of a temporary community division, and reach the goal of a unified group at the new Roche site. • In July 2010, Cerrejón signed the promissory note on the La Liga property for the Tamaquito resettlement. Cerrejón currently has title and ownership of the land, which will be transferred to the indigenous community as an essential step towards constituting an indigenous reservation. In May 2011, the detailed housing designs were completed for the new Tamaquito site with the participation of the entire community. By the community's wishes, the new dwellings will have a typically Wayuu design. Approval of the housing and infrastructure construction permit was requested from the Municipal Government in October 2011. Housing construction is expected to start in the first quarter of 2012 and will involve community participation. • Construction of the Patilla and Chancleta housing and infrastructure, which began in January 2011, is proceeding satisfactorily. The Patilla works are expected to conclude at the end of 2011 and Chancleta is estimated to finish in the first quarter of 2012. • Meanwhile, we are continuing to work on relocation agreements and impact reviews in addition to preparing each community to define their income-generation projects. Up to now, we have signed 40 relocation agreements out of a total of 46 accredited resident families in the community of Patilla, and the remaining six agreements are progressing well. With the community of Chancleta, a significant step forward has been made in the number of families expressing their willingness to collectively relocate to the new site on the Dios Verá property. Currently, 40 out of the 57 Chancleta families have confirmed their readiness to agree to a collective relocation agreement to the new site. • The Las Casitas community resettlement has been delayed in starting the housing and infrastructure works due to hold-ups on the part of the local authorities in revising the Land Organization Plan. This revision is a legal technical requirement for licensing the works (which have had a detailed design since the third quarter of 2010). 	<ul style="list-style-type: none"> • Consult social impact assessments with Las Casitas • Agree on compensation based on impact assessments • Build new towns • Implement relocation • Follow up on sustainable livelihoods projects.
Action 9	Update Cerrejón's web site to explain better the resettlement processes and the implementation of internal standards. Update every 3 months.	<ul style="list-style-type: none"> • We understand that the information on the resettlement processes in our web page is not enough. 	<ul style="list-style-type: none"> • Develop a plan by February 2012 that allows updating the resettlement page on the website on a regular basis.
Action 18.1	Develop and implement a home improvement program in Media Luna.	<ul style="list-style-type: none"> • In early 2010 Cerrejón proposed a housing improvement plan to the communities of Malla Norte (Kamusuchiwo) and Malla Sur (Pioule Piula). In April of 2011, the community and its traditional authorities approved the conceptual design of the 21 houses. We had hoped to begin construction work in the second half of 2011 with the consultancy firm Yalmar Vargas, who finished the houses design for Pioule Piula in June 2011. However, for reasons of better project viability, Cerrejón requested three other proposals. We hope to choose a new construction company by the end of 2011 and begin building in the first quarter of 2012. The designs agreed to in the process with the first construction firm will be adhered to insofar as possible. • A social engagement proposal is being evaluated for the zone of Kamusuchiwo and its claims for land use. The strategy is expected to be defined by the end of 2011. We hope to once more announce the social programs with this community in the first quarter of 2012. 	<ul style="list-style-type: none"> • Set construction dates based on conversations with the community of Pioule Piula. • Consult social programmes with the community of Kamusuchiwo
Action 21.2	Design and put into practice a follow-up mechanism to measure the results of human rights trainings.	<ul style="list-style-type: none"> • In October 2010, Cerrejón hired the Conflict Analysis Resources Center (CERAC in Spanish) to design a set of indicators to measure the impact of human rights training. The final version of the indicators was delivered in March 2011. The terms of reference for undertaking the set of pilot indicators pilot have already been prepared, and we are once again hiring CERAC to implement the indicators. The results should be available in the first half of 2012. 	<ul style="list-style-type: none"> • Development of the indicators in the first half of 2012.